



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

33 October 31, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

October 30, 2012

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS:
HIGH DESERT MULTI-SERVICE
AMBULATORY CARE CENTER PROJECT
AUTHORIZE EXECUTION OF AGREEMENT WITH
SOUTHERN CALIFORNIA EDISON
AMEND HEALTH SERVICES CONTRACT H-705412
SPECS. 6837; CAPITAL PROJECT NO. 77350
(FIFTH DISTRICT) (3 VOTES)**

SUBJECT

These actions will approve and delegate authority to the Director of Public Works, or her designee, to execute an agreement with Southern California Edison for participation in the 2010-2012 Savings by Design for Partnerships Program, which will result in a one-time financial incentive payment of \$113,448 to the County; and delegate authority to the Director of Health Services, or his designee, to amend the Transition Planning Consulting Services Agreement H-705412 with FDI Planning Consultants to provide additional equipment procurement management and coordination services for Group II major moveable medical equipment for the High Desert Multi-Service Ambulatory Care Center Project.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and delegate authority to the Director of Public Works, or her designee, to execute the Whole Building Approach Owner Agreement with Southern California Edison to allow the County to receive a one-time financial incentive payment of \$113,448 for participation in the 2010-2012 Savings by

Design for Partnerships Program for the High Desert Multi-Service Ambulatory Care Center Project.

2. Delegate authority to the Director of Health Services, or his designee, to amend the existing Transition Planning Consulting Services Agreement H-705412 with FDI Planning Consultants to provide additional equipment procurement management and coordination services for major moveable medical equipment for the High Desert Multi-Service Ambulatory Care Center Project, and increase the maximum not-to-exceed contract amount by \$350,198, from \$1,195,569 to \$1,545,767.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Background

On November 21, 2006, the Board authorized the development of a new High Desert Multi-Service Ambulatory Care Center (MACC) facility at a new site in Lancaster to replace the existing High Desert MACC. The new facility will improve the quality and accessibility of healthcare services by providing various outpatient medical services, including primary care, urgent care, specialty care, and outpatient surgery services. On September 6, 2011, the Board awarded a design-build contract to Swinerton Builders for a maximum contract sum of \$98,588,889. As part of the High Desert MACC Project, a 285-kilowatt photovoltaic system is being installed over a portion of the surface parking lot to enhance the sustainability of the new High Desert MACC facility and help achieve United States Green Building Council Leadership in Energy and Environmental Design Gold level certification for the project.

Savings by Design for Partnerships Program Agreement

As part of the design-build contract, the overall design of the building electrical systems and parking lot lighting was completed by Swinerton Builders in coordination with Southern California Edison (SCE) to exceed minimum Title 24 standards of the California Code of Regulations and meet SCE's 2010-2012 Savings by Design for Partnerships Program (SDPP) requirements. Under the SDPP, SCE will provide a one-time financial incentive payment of \$113,448 to the County, as a partial offset for the cost of installing energy-efficient equipment and systems for the building electrical systems and parking lot lighting. In order for SCE to provide this financial incentive, the County is required to execute the attached SCE 2010-2012 SDPP Whole Building Approach Owner's Agreement (Owner Agreement), which is a standard agreement provided by SCE (Attachment B).

Under the terms of the SCE Owner Agreement, the County is obligated to install and operate the building electrical systems and parking lot lighting in accordance with applicable laws, safety standards, and existing governmental regulations or orders, and provide SCE with Title 24 compliance documents, plus any and all documentation necessary for verification of installation and performance of the energy efficient equipment and systems qualifying for the incentives.

The Board's approval of the recommended action will authorize the Director of Public Works, or her designee, to execute the SCE Owner Agreement. The SCE Owner Agreement must be fully executed by December 31, 2012, for the County to receive the full incentive payment.

Amendment to Agreement with FDI Planning Consultants

On August 14, 2012, the Board approved an agreement with FDI Planning Consultants (FDI) for a not-to-exceed contract amount of \$1,195,569 to provide transition planning consulting services for the High Desert MACC Project. This agreement is being funded entirely through the Department of Health Services' (Health Services) Operating Budget. The services to be provided under this agreement include equipment procurement management and coordination for Group III minor moveable medical equipment, information system equipment, and furniture. The current agreement with FDI did not include these same services for the Group II major moveable medical equipment because the procurement of this equipment is being funded through the capital project. The Group II equipment includes EKG units, mobile X-ray units, and portable monitoring and diagnostic equipment which require dedicated building utilities. However, the Department of Public Works (Public Works) and Health Services have determined that it would be more efficient and cost-effective, and provide better continuity and overall coordination to have a single entity manage and coordinate the procurement for all of the moveable medical equipment. Therefore, under the recommended amendment, FDI will provide additional equipment procurement management and coordination services for the Group II major moveable medical equipment. Approval of this amendment will increase the total not-to-exceed amount of the FDI agreement by \$350,198, from \$1,195,569 to \$1,545,767. The amendment will be funded entirely with existing capital project funds.

Green Building/Sustainable Design Program

The High Desert MACC Project will comply with the County's Energy and Environmental Policy. The High Desert MACC Project will be designed and constructed to achieve the United States Green Building Council Leadership in Energy and Environmental Design Gold level certification by incorporating sustainable design features to optimize energy

and water use, enhance the sustainability of the site, improve indoor environmental quality, and maximize the use and reuse of sustainable and local resources.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Integrated Services Delivery (Goal 3) by investing in public infrastructure that will improve access to healthcare services in the Antelope Valley.

FISCAL IMPACT/FINANCING

The proceeds from the one-time financial incentive payment of \$113,448 will be used to offset capital project expenses.

The total High Desert MACC Project cost, including land acquisition, programming, scoping documents, construction, consultant services, plan check, miscellaneous expenditures, civic art allocation, and County services, is \$141,423,635. The Project Schedule and Budget Summary are detailed in Attachment A.

The recommended amendment will increase the total not-to-exceed amount of the FDI agreement by \$350,198, from \$1,195,569 to \$1,545,767. The amendment will be funded entirely with existing capital project funds.

The High Desert MACC Project was initially funded with tax-exempt commercial paper, but is now financed through the issuance of long-term bonds. The par amount of each bond type issued was based on market conditions and discussions with the Treasurer and Tax Collector. The financing was presented to the Board on October 2, 2012, for approval prior to the issuance and sale of the tax-exempt lease revenue bonds.

Operating Budget Impact

The annual ongoing operating costs for the new High Desert MACC Project will be funded by Health Services through the closure of the existing facility.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The SCE Owner Agreement contains terms and conditions that have been reviewed by County Counsel and are in accordance with applicable laws, safety standards, and existing governmental regulations or orders.

The indemnification language contained in the agreement differs from the County's standard indemnification language; however, the indemnification language is mutual.

As such, the County and SCE agree to indemnify one another on reciprocal terms and conditions. Each party agrees to defend and indemnify the other party against claims arising out of or in connection with the engineering, design, construction, maintenance, repair, operation, supervision, inspection, testing, protection, or ownership of its own facilities, and/or due to the making of replacements, additions, betterments to, or reconstruction of its own facilities. The indemnity obligation applies, notwithstanding the active or passive negligence of the party being indemnified. However, neither party is indemnified for any loss, liability, damage, claim, charge, demand, or expense resulting from its sole negligence or willful misconduct. The scoping consultant retained by Public Works has reviewed the design of the building electrical systems and the parking lot lighting and photovoltaic panel system, and found that the systems contain sufficient safeguards to protect both the County and SCE's equipment from electrical surge.

The current agreement with FDI contains all of the current Board-required provisions. County Counsel will approve as to form the recommended amendment to the FDI agreement before it is executed.

ENVIRONMENTAL DOCUMENTATION

On May 31, 2011, the Board certified the Final Environmental Impact Report and adopted a Mitigation Monitoring and Reporting Program for the High Desert MACC Project. The recommended actions are within the scope of the previously certified Environmental Impact Report.

CONTRACTING PROCESS

SCE's Owner Agreement is the standard agreement developed by SCE for its 2010-2012 SDPP.

On August 14, 2012, the Board approved an agreement with FDI for a not-to-exceed contract amount of \$1,195,569 to provide transition planning consulting services for the High Desert MACC Project. The services to be provided under this agreement include equipment procurement management and coordination for Group III minor moveable medical equipment, information system equipment, and furniture. The current agreement with FDI did not include these services for the Group II major moveable equipment procurement. Under the recommended amendment to the agreement, FDI will provide additional equipment procurement management and coordination services for the Group II major moveable medical equipment for the High Desert MACC Project. Approval of this amendment for \$350,198 will increase the total not-to-exceed contract amount of FDI's agreement from \$1,195,569 to \$1,545,767.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will have no impact on current County services or other projects.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Capital Projects Division; the Department of Health Services, Capital Projects Division; and the Department Public Works, Project Management Division I.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:DJT
MV:SW:SG:mda

Attachments

c: Executive Office, Board of Supervisors
 County Counsel
 Auditor- Controller
 Health Services
 Internal Services
 Public Works

**DEPARTMENT OF PUBLIC WORKS:
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I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date
Project Scoping Documents	11/30/10*
Award Design-Build Contract	09/06/11*
Construction Documents	02/02/12*
Jurisdictional Approvals	07/25/12*
Construction Start	02/13/12*
Substantial Completion	03/25/14
Final Acceptance	06/30/14

*Actual completion date.

II. PROJECT BUDGET SUMMARY

Project Activity	Approved Budget
Land Acquisition	\$ 1,257,400
Construction	
Design-Build Contract (Base Contract Sum)	\$ 89,088,889
Group I Medical Equipment Allowance	6,000,000
Design-Completion Allowance	3,500,000
Change Orders	9,547,511
Job Order Contract (Make-Ready Work)	350,000
Group II Medical Equipment (Procurement by ISD)	8,523,635
Construction Consultants	0
Equipment Contingency	1,415,000
Telecomm Equip – Affixed to Building	2,000,000
Civic Arts	250,000
Utilities Connection Fees	700,000
Subtotal	\$121,375,035
Programming/Development	\$ 68,977
Plans and Specifications (Scoping Documents and Support)	\$ 6,431,023
Consultant Services	
Site Planning	\$ 0
Hazardous Materials	0
Geotech/Soils Report and Soils Testing	461,285
Material Testing	885,000
Cost Estimating	144,000
Topographic Surveys	65,042
Construction Management	1,191,673
Construction Administration	0
Environmental	350,000
Move Management	0
Equipment Planning/Procurement*	500,000
Construction Scheduling	168,000
Design Peer Review	200,000
Other: Commissioning Services	315,000
Other: Labor Compliance Program	173,200
Subtotal	\$ 4,453,200
Miscellaneous Expenditures	\$ 45,000
Jurisdictional Review/Plan Check/Permit	\$ 1,428,200
County Services	
Code Compliance and Quality Control Inspection	\$ 997,269
Design Review	89,991
Design Services	25,524
Contract Administration	165,420
Project Management	1,777,213
Project Management Support Services	1,933,573
ISD Job Order Contract Management	0
DPW Job Order Contract Management	0
ISD ITS Communications	600,000
Project Security	0
Project Technical Support	292,810
Office of Affirmative Action	135,000
Other: ISD Procurement Services	200,000
Other: Support Services	148,000
Subtotal	\$ 6,364,800
TOTAL	\$141,423,635

* Includes FDI costs for procurement of Group II Medical Equipment.

ATTACHMENT B

**DEPARTMENT OF PUBLIC WORKS:
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**SOUTHERN CALIFORNIA EDISON
2010-2012 SAVINGS BY DESIGN FOR PARTNERSHIP PROGRAM
WHOLE BUILDING APPROACH OWNER'S AGREEMENT**

(SEE ATTACHED)



Whole Building Approach Owner's Agreement

2010-2012 Program Cycle

Owner Information

County of Los Angeles, Dept. of Public Works

Company Name

900 S. Fremont Ave., 12th Floor

Address

Massood Eftekhari

Owner Contact

626-300-2300

Phone Number

95-6000927

Federal Tax ID or SSN

Extension

Fax Number

Extension

Exempt

LA County

Exempt Reason

Alhambra

City

CA

State

91803

Zip

Deputy Director

Contact Title

meffek@dpw.lacounty.gov

E-mail

LACO Partnership

SCE Local Government/Statewide Partnership Name, if applicable

☒ Signatory
Authority /
Payee

☐ Same as Owner

Owner's Representative Information

County of Los Angeles, Dept. of Public Works

Representative Company Name

900 S. Fremont Ave.

Address

Mike Patel

Representative Contact

626-300-2359

Phone Number

Extension

Fax Number

Extension

Alhambra

City

CA

State

91803

Zip

Project Manager

Contact Title

mpatel@dpw.lacounty.gov

E-mail

☐ Signatory
Authority /
Payee

Project Information

High Desert - MACC

Project Name - Location

335 East Avenue I

Project Site Address

Medical Facility

Building Description/Type

10/30/2013

Estimated Completion Date

13.1%

% Performance Better than T24

Lancaster

City

CA

State

93535

Zip

10

Bldg Type

124,524

Gross FT²

124,524

Conditioned FT²

922190

FNAICS [SCE Only]

Project Bonuses

☒ Green Certification (LEED, etc)

☐ Measurement & Verification

☐ Enhanced Commissioning

Special Measures

☒ Parking Lot Lighting



Bonus Approval Initials [SCE FDM]

Proposed Design Energy Savings Estimate

Product ID	Total kWh	Total kW	Total Therms	Calculated kWh \$	Calculated kW \$	Calculated Therm \$	Calculated Total \$
WB-78495: Overall Building Performance	212,372.0	176.50	21,394.0	\$49,057.93	\$17,650.00	\$21,394.00	\$88,101.93
LT-23666: Parking Lot Lighting (Lighting Zone 3)	36,425.0			\$18,659.84			\$18,659.84
GRN: Green Building Certification							\$6,686.47
Total Savings:	248,797.0	176.50	21,394.0			Total Incentive:	\$113,448.24

Signature

Saad George

Name

Program Engineer, New Construction Services

Title

Date

Energy Division Hold Release Date

FOR SCE
USE ONLY

OA 1 of 3 Cameron McPherson

V105 20120530 NCS REP

R. Raskin

AGCT REP

WBA

SBD APPROACH

☒

PARTNERSHIP

500000400

GRN NUMBER

TERMS AND CONDITIONS:

This Agreement is entered into by Southern California Edison (hereafter referred to as "Utility") and the Owner (as indicated herein). This Agreement is a one-time offer to provide design assistance and a financial incentive to the Owner for participation in the 2010-2012 Savings By Design for Partnerships Program ("Program") pursuant to the terms and conditions outlined herein and in the Savings By Design Program Documents ("Program Documents"). The Program Documents are incorporated into this Agreement by reference and include the 1) Savings By Design brochure, and the 2) 2010-2012 Savings By Design Participant Handbook, which have been provided to the Owner. This Agreement makes reference to that certain agreement (or memorandum of understanding, as applicable) to jointly deliver the 2010-12 Energy Efficiency Partnership Program applicable to the Parties (the "Partnership Agreement"). To the extent incentive rates and/or incentive caps for Savings By Design Program for Partnerships are set forth in such Partnership Agreement, then such incentive rates and/or incentive caps shall apply to this Program; otherwise, the incentive rates and/or caps in the Program Documents shall apply.

Funding approved for this Program is limited and will be paid on a first-come, first-served basis to qualified applicants. Funds will only be reserved upon Utility's execution of this Agreement. This incentive offer is subject to the availability of authorized funds. This Agreement is valid for forty-eight (48) months from the date Utility executes this Agreement. Utility will deliver an executed copy of this Agreement to the Owner after acceptance and execution by Utility. Utility reserves the right to modify or cancel the incentive offer if the actual system(s) installed differs from the proposed installation. Utility reserves the right to modify or discontinue this Program without prior notice at its discretion, or by order of the California Public Utilities Commission ("CPUC"). Payment of the incentives shall be made to the Owner only after all program requirements are met and upon verification of installation by a Savings By Design Program Representative.

ELIGIBILITY:

- * To be eligible for incentives under this Program, Owner's project must be nonresidential new construction or renovation/remodel located within SCE's service territory.
- * Owner must install the energy-efficient equipment or system(s) specified in the "Proposed Design Energy Savings Estimate" section of this agreement (the "Proposed Design") which at minimum exceeds Title 24 standards or a generally-accepted industry standard for energy efficiency.
- * Installation of any energy-efficient equipment required for compliance with Title 24 will not qualify for incentives under this Program.
- * Energy savings, and incentives based on those savings, will be based on energy efficiency improvements beyond the minimum, currently in effect, Title 24 requirements, where applicable.
- * Specific restrictions apply to each energy efficiency system, as outlined in the Program Documents.
- * To be eligible for incentives under this Program, Owner agrees that they will not apply for or receive incentives offered by local or state entities or other utilities for measures covered under this Agreement.

OWNER AGREES TO:

- * Install and operate the Proposed Design in accordance with applicable laws, safety standards, and existing governmental regulations or orders.
- * Provide Utility with Title 24 compliance documentation plus any other documentation needed to establish the performance of systems selected. Owner agrees to provide Utility with all documentation necessary for verification of installation and performance of energy efficient systems qualifying for incentives.
- * Provide manufacturer's specification sheets to Utility prior to the payment of the incentive. Also, upon request, Owner agrees to submit vendor and/or contractor invoice(s) to verify that incentive payments will not exceed 75 percent of the incremental costs associated with the purchase/installation of the energy efficient technologies.
- * Accept as final authority, Utility's determination of the incentive amount.
- * Allow Utility and CPUC representatives reasonable access to Owner's project site to inspect and verify installation and operation. Owner understands that said inspection and verification is not an electrical safety inspection.
- * Owner shall indemnify, defend, and hold harmless Utility, its affiliates, subsidiaries, parent company, officers, directors, agents, and employees from and against all claims, losses, damages, costs, expenses, and liability arising from 1) injury to persons or property, 2) death, 3) violation of any law or regulation (including those that establish strict liability); so long as such injury, violation, or strict liability is caused by or in any way connected with Owner's performance of this Agreement. Owner shall, at Utility request, provide a defense against any claim covered by this indemnity.

- * Participate in measurement and evaluation study, if selected. These studies are used to analyze current program performance and improve future program designs. Owner agrees to fully cooperate with the study team if asked to participate.
- * In no instance shall Utility be liable for any incidental, special, or consequential damages as a result of this Agreement.
- * Furthermore, Owner understands that Utility makes no representations and warranties as to proper installation, product endorsement, technical feasibility, operational capability, and/or reliability of equipment for which incentives are paid. Owner agrees not to make any such representations and warranties to third parties and agrees to indemnify Utility in the event said representation and warranties are made to third parties. Owner further acknowledges that any incentive paid is funded through Procurement Energy Efficiency Balancing Account (PEEBA) from California ratepayers and that said incentives are intended for the benefit of customers of California utilities.
- * Owner consents to Utility's assignment of all Utility rights, duties, and obligations under this Agreement ("Duties") to the CPUC or its designee. Such assignment shall relieve Utility of all Duties arising under this Agreement. Other than such assignment by Utility, neither Party shall assign its right or delegate its duties without the prior written consent of the other Party, except in connection with the sale or merger of a substantial portion of its properties. Consent to assignment shall not be unreasonably withheld. If an assignment is requested, the Owner may be required to provide additional information if requested by Utility.
- * Owner agrees that Utility will receive the energy benefit for which the Owner incentive is paid, for a period of not less than five years or the rated life of the equipment if that is less than five years. Owner agrees that if 1) Owner does not provide Utility with 100 percent of the related benefits specified in the application, for a period of five years from the receipt of the incentive, or 2) the energy benefit to Utility ceases (for example, if Owner's company stops using the equipment or no longer pays the Procurement Energy Efficiency Balancing Account (PEEBA), Owner will return to Utility the prorated portion of the Owner Incentive dollars based on the actual period of time for which Owner provided the energy benefit.

TAX LIABILITY:

Incentives may be taxable and will be reported by Utility to the IRS unless Owner qualifies under an exempt status. Utility will report the incentive as income to Owner on IRS Form 1099 unless Owner has established that they qualify for an exempt tax status as indicated on this Agreement. Owner is urged to consult a tax advisor concerning the taxability of incentives. Utility is not responsible for any taxes that may be imposed due to incentive payments.

THE UTILITY MAKES NO WARRANTY, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO ANY WARRANTIES REGARDING THE DESIGN, CONSTRUCTION, EQUIPMENT, OR INSTALLATIONS REFERRED TO HEREIN, OR THE BENEFITS TO BE DERIVED FROM THE INSTALLATION, OPERATION, AND USE OF SUCH EQUIPMENT, OR ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE OR APPLICATION. NO AGENT, EMPLOYEE, OR REPRESENTATIVE OF THE UTILITY HAS AUTHORITY TO BIND THE UTILITY TO ANY AFFIRMATION, REPRESENTATION, OR WARRANTY UNLESS EXPRESSLY MADE AND AGREED TO IN WRITING BY THE UTILITY.

By execution of this Agreement, Owner certifies that Owner meets all the program eligibility requirements and that the information supplied on this Agreement is true and correct. Owner certifies that Owner has read and understands the Program Documents and agrees to abide by Program rules and requirements set forth in the Program Documents. To be valid, this Agreement must be signed by all parties prior to December 31, 2012.

The parties below, independently certify that they are authorized on behalf of the Owner or Utility, to execute this Agreement.

In witness whereof, the parties have executed this Agreement as of the date last set forth below.

County of Los Angeles, Dept. of Public Works

Company

Southern California Edison

Company

Signature

Massood Eftekhari

Name

Deputy Director

Title

Date

Signature

Mark Wallenrod

Name

Director of Programs & Ops., CEES

Title

Date

FOR SCE
USE ONLY

OA 3 of 3

Cameron McPherson

v105.20120530 NCS REP

R. Raskin

ACCT REP

WBA

SBD APPROACH

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PARTNERSHIP

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CRM NUMBER